

## MEMORANDUM

August 7, 2003

MEMO TO: A. Roy Stecher, Chief  
Office of Central Services

Sharon F. Greisz, Director  
Department of Finance

THRU: Ronald S. Weinstein  
County Auditor

FROM: Lisa L. Geerman  
Assistant County Auditor

SUBJECT: Annual Physical Inventory Count - FY 2003  
Central Stores

The Office of the County Auditor visited the Office of Central Services on June 27 and 30, 2003, to observe the annual physical inventory counting process for the year ending June 30, 2003. The inventory list of stationery supplies showed a total value of \$63,184.77 (\$55,425.24 before 14% markup) as of June 27, 2003. We observed the counting of 100% of the inventory. The total value of the inventory after the count was \$63,048.57 (\$55,305.76 before markup). The \$136.20 difference was for items removed from inventory that had not yet been entered into the computer. We found no differences in any of the 124 different items.

There is a separate inventory of forms located in the warehouse. We observed the warehouse stores inventory counting process on June 27, 2003. The total value of that inventory was \$5,224.66, before and after the count. We found no differences in any of the 27 different items.

There is an additional separate inventory of graphic supplies located in the storeroom. We observed the inventory counting process on June 30, 2003. The total value of that inventory was \$17,664.97, before the count, and \$17,625.87 after the count. The \$39.10 difference was for an item removed from inventory on the day of the count. We found no differences in any of the 80 different items.

We would like to commend the Office of Central Services for its excellent inventory accountability again this year.

The Department of Finance does not keep perpetual inventory records. A year-end adjusting entry is made after the inventory is taken. The inventory records in the Department of Finance were adjusted to reflect a total inventory balance of \$78,156.29 (\$55,305.76 stores inventory plus \$5,224.66 warehouse inventory plus \$17,625.87 graphics supplies inventory) for fiscal year 2003.

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cc: Council Members  
James N. Robey, County Executive  
Raquel Sanudo, Chief Administrative Officer  
Lois Miller, Administrative Services Officer